AGENDA
MESA WATER DISTRICT
SPCECIAL EXECUTIVE COMMITTEE MEETING
MONDAY, JANUARY 5, 2016 AT 12:00 PM
PANIAN CONFERENCE ROOM

Committee Members: President Shawn Dewane, Chair
Ethan Temianka, Vice President
Paul E. Shoenberger, P.E., General Manager
Coleen L. Monteleone, Assistant General Manager
Denise Garcia, Executive Assistant to the General Manager

PUBLIC COMMENTS

Non-Agendized Matters: Members of the public are invited to address the Board on matters which are not on the Agenda. Each speaker is limited to three (3) minutes. The Board will set aside thirty (30) minutes for public comments.

Agendized Matters: Members of the public may comment on Agenda items before action is taken, or after the Board has discussed the item. Each speaker is limited to five (5) minutes.

PRESENTATION AND DISCUSSION ITEMS:
Items recommended for approval at this meeting may be agendized for approval at a future Board meeting.

1. City/Districts Liaison Committee Meeting
2. Board Committee & Liaison Assignments
3. Board Workshop Planning

ACTION ITEMS:

4. CalPERS Special Compensation
5. Money Purchase Retirement Plan

REPORTS:

6. Future Agenda Topics and Conference Schedule
7. Report of the General Manager
8. Directors’ Reports and Comments

INFORMATION ITEMS:

9. Other (no enclosure)

In compliance with California law and the Americans with Disabilities Act, if you need disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, or if you need the agenda provided in an alternative format, please contact the District Secretary at (949) 631-1206. Notification 48 hours prior to the meeting will enable Mesa Water District (Mesa Water) to make reasonable arrangements to accommodate your requests.

Agenda materials that are public records, which have been distributed to a majority of the Mesa Water Board of Directors (Board), will be available for public inspection at the District Boardroom, 1965 Placentia Avenue, Costa Mesa, CA and on Mesa Water's website at www.MesaWater.org. If materials are distributed to the Board less than 72 hours prior during the meeting, the materials will be available at the time of the meeting.

ADJOURNMENT
MEMORANDUM

TO: Executive Committee
FROM: Paul E. Shoenberger, P.E., General Manager
DATE: January 5, 2016
SUBJECT: City/Districts Liaison Committee Meeting Topics

RECOMMENDATION

Provide guidance to staff on topics for the January 15, 2016 City/Districts Liaison Committee meeting agenda.

STRATEGIC PLAN

Goal #4: Increase public awareness about Mesa Water® and about water.
Goal #7: Actively participate in regional water issues.

DISCUSSION

The next City/Districts Liaison Committee meeting is scheduled for Friday, January 15, 2016, at 8:00 a.m. and is being hosted by the City of Costa Mesa. Staff is requesting guidance from the Committee for agenda topics.

FINANCIAL IMPACT

None.

ATTACHMENTS

None.
RECOMMENDATION

This report is provided for discussion only.

STRATEGIC PLAN

Goal #1: Provide a safe, abundant, and reliable water supply.
Goal #2: Practice perpetual infrastructure renewal and improvement.
Goal #3: Be financially responsible and transparent.
Goal #4: Increase public awareness about Mesa Water® and about water.
Goal #5: Attract and retain skilled employees.
Goal #6: Provide outstanding customer service.
Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSSION

On January 19, 2013, the Board of Directors (Board) approved Resolution No. 1428, adopting Protocols of the Board of Directors. The new Committee format designates that all Committee meetings will be noticed as Board meetings and held as joint meetings of the Committee and entire Board. All members of the Board may attend and participate in the discussion. The Executive Committee is excluded from this Committee format.

On January 8, 2015, the Board ratified the Board Agency Liaison Assignments to complement the approved Committee format. The new Agency Liaison Assignments permit all members of the Board to attend other local agency meetings with the exception of ACWA/JPIA, City/Districts Liaison, and CalDesal for which designated Directors will be assigned.

DISCUSSION

For the Committee’s use in discussion of this item, staff is providing a list of the current Board Committee and liaison assignments.

FINANCIAL IMPACT

None.

ATTACHMENTS

Attachment A: 2015 Board Committee & Liaison Assignments
## 2015 BOARD COMMITTEE ASSIGNMENTS

<table>
<thead>
<tr>
<th>Committee</th>
<th>Director Assignments</th>
<th>Meeting Schedule &amp; Location *</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Committee</td>
<td>Dewane (Chair) Temianka</td>
<td>1st Tuesday at 12:00 p.m. Panian Conference Room</td>
</tr>
<tr>
<td>Finance Committee</td>
<td>Temianka (Temianka) Bockmiller</td>
<td>3rd Monday at 3:30 p.m. – Boardroom (January 23 &amp; February 23 moved due to conflicts)</td>
</tr>
<tr>
<td>Engineering &amp; Operations Committee</td>
<td>Bockmiller (Chair) Fisler</td>
<td>3rd Tuesday at 3:30 p.m. – Boardroom</td>
</tr>
<tr>
<td>Legislative &amp; Public Affairs Committee</td>
<td>Fisler (Chair) Atkinson</td>
<td>4th Thursday at 3:30 p.m. – Boardroom (January 29, November 19 &amp; December 17 moved due to conflicts)</td>
</tr>
<tr>
<td>Audit Ad Hoc Committee (Executive Chair and Finance Chair)</td>
<td>Dewane Temianka</td>
<td>(Dates and times to be determined)</td>
</tr>
</tbody>
</table>

## 2015 BOARD LIAISON ASSIGNMENTS

<table>
<thead>
<tr>
<th>Other Agency</th>
<th>Director Assignment</th>
<th>Meeting Schedule &amp; Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACWA/JPIA Director</td>
<td>Bockmiller</td>
<td>Meets at the ACWA/JPIA Spring &amp; Fall Conferences</td>
</tr>
<tr>
<td>Costa Mesa City/Districts Liaison</td>
<td>Dewane Temianka</td>
<td>Quarterly with the City of Costa Mesa &amp; Costa Mesa Sanitary District</td>
</tr>
<tr>
<td>Newport Beach City/Districts Liaison</td>
<td>Dewane Temianka</td>
<td>Quarterly with the City of Costa Mesa &amp; Costa Mesa Sanitary District</td>
</tr>
<tr>
<td>CalDesal</td>
<td>Dewane</td>
<td>(Dates and times to be determined)</td>
</tr>
</tbody>
</table>

*Other local agency meetings are available for attendance to all Directors including MWDOC, OCWD, LAFCO, WACO, ISDOC, SCWC, OCBC, CRWUA, and Orange County Taxpayers Association.*
## 2015 BOARD COMMITTEE ALTERNATES

<table>
<thead>
<tr>
<th>Committee</th>
<th>Chair</th>
<th>Vice Chair</th>
<th>Alternates</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Executive</strong></td>
<td>Dewane, Chair</td>
<td>Temianka, Vice Chair</td>
<td>None</td>
</tr>
<tr>
<td><strong>Engineering and Operations</strong></td>
<td>Bockmiller, Chair</td>
<td>Fisler, Vice Chair</td>
<td>Atkinson Alternate</td>
</tr>
<tr>
<td><strong>Finance</strong></td>
<td>Temianka, Chair</td>
<td>Bockmiller, Vice Chair</td>
<td>Fisler Alternate</td>
</tr>
<tr>
<td><strong>Legislative &amp; Public Affairs Committee</strong></td>
<td>Fisler, Chair</td>
<td>Atkinson</td>
<td>Bockmiller Alternate</td>
</tr>
<tr>
<td><strong>Audit Ad Hoc</strong></td>
<td>Dewane, President</td>
<td>Temianka, Finance Committee Chair</td>
<td>None</td>
</tr>
</tbody>
</table>
MEMORANDUM

TO: Executive Committee
FROM: Paul E. Shoenberger, P.E., General Manager
DATE: January 5, 2016
SUBJECT: Board Workshop Planning

RECOMMENDATION

Discuss agenda topics and planning for the Board of Directors’ workshop.

STRATEGIC PLAN

Goal #1: Provide a safe, abundant, and reliable water supply.
Goal #2: Practice perpetual infrastructure renewal and improvement.
Goal #3: Be financially responsible and transparent.
Goal #4: Increase public awareness about Mesa Water® and about water.
Goal #5: Attract and retain skilled employees.
Goal #6: Provide outstanding customer service.
Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSSION

None.

DISCUSSION

For the Committee’s review, following is the list of proposed topics:
- Strategic Plan Update
- MWRF Outreach Center
- Class and Comp Update
- Regional Issues

Staff recommends the Board workshop be scheduled for March 18 – 19, 2016. The workshop is planned to take place at the Mesa Water Reliability Facility; refreshments will be served.

FINANCIAL IMPACT

$3,200 was budgeted in the FY 2016 budget for Board workshop expenses and the available balance in this account is $2,600.

ATTACHMENTS

None.
MEMORANDUM

TO: Executive Committee  
FROM: Coleen L. Monteleone, Assistant General Manager  
DATE: January 5, 2016  
SUBJECT: CalPERS Special Compensation

RECOMMENDATION

Recommend that the Board of Directors approve an update to the District’s Employee Rules and Regulations to reflect the CalPERS Special Compensation.

STRATEGIC PLAN

Goal #5: Attract and retain skilled employees.

DISCUSSION

CalPERS adopted a new regulation to define those items of compensation which will be included in a member’s “compensation earnable” for purposes of determining the member’s retirement allowance.

Mesa Water® is currently complying with the regulation and there is no change to processes or employee pay. The change requested by staff is to have the Board formally approve the addition of Attachment A (CalPERS Reportable Compensation) to the Employee Rules and Regulations to conform with the CalPERS requirements.

Compensation earnings are made up of the employee’s pay rate and special compensation. The California Code of Regulations section 571(b) was amended to provide clarification of the existing requirement that special compensation must be “contained in a written labor policy agreement”, which for Mesa Water® is the Employee Rules and Regulations.

Staff reviewed the exclusive list of special compensation items to ensure conformance with CalPERS statutes and regulations, and developed the attached written policy identifying the items that are applicable to Mesa Water®. Liebert Cassidy Whitmore has reviewed and approved the policy for compliance.

FINANCIAL IMPACT

None.

ATTACHMENTS

Attachment A: CalPERS Reportable Compensation
CalPERS Reportable Compensation

COMPENSATION (G.C. Section 20630)
Compensation is broadly defined as payment to employees for services performed during normal working hours or for time during which the employee is excused from work because of holidays, sick leave, industrial disability, (payments under Labor Code Section 4800, 4850 or Education Code Section 44043, 87042) vacation, compensatory time off or leave of absence.

Compensation
- Regular Hours
- Vacation
- Sick
- Holiday
- Miscellaneous hours (jury duty, bereavement, military)

SPECIAL COMPENSATION Regulations (CCR) Section 571 (a) and (b)
Special compensation shall be limited to that which is received by a member pursuant to a labor policy or agreement to similarly situated members of a group or class of employment and is reported in addition to and separately from pay rate. Special compensation is also delineated specifically and exclusively in the Regulations adopted in the California Code of Regulations (CCR).

Special Compensation

Value of Employer-Paid Member Contributions (EPMC)
Mesa Water District (District) participates in the California Public Employees’ Retirement System.
Classic members, as defined by CalPERS, shall begin paying the Employee contributions to CalPERS with contributions as follows:
- One percent (1%) effective the first full pay period following adoption by Mesa Water’s Board of Directors (District pays 6% and is reported as Special Compensation).
- Three and one-half percent (3.5%) effective the first full pay period following January 1, 2015 (District pays 3.5% and is reported as Special Compensation).
- Six percent (6%) effective the first full pay period following January 1, 2016 (District pays 1% and is reported as Special Compensation).
- Seven percent (7%) effective the first full pay period following January 1, 2017 (District pays 0%).
**Educational Pay**

- Technical Certification Incentive Program – Supervisor/Confidential employees who hold one or more current and valid certification(s) above the minimum required for their job classification shall receive $100 for each certification to be paid annually. Where the employee’s job classification does not indicate a minimum certification level, the maximum annual payment will be $100 per certificate held.

- Professional Certification Incentive Program (PCIP) awards a $500 one-time payment to Management or Supervisory/Confidential employees who, while employed by Mesa Water®, complete an education course of study or program resulting in a college degree or relevant professional certification, which was approved in advance for the PCIP by Mesa Water’s General Manager.

**Temporary Upgrade**

Employees who are given an out-of-class temporary appointment to a higher classification will be compensated as follows: Their rate of pay will remain unchanged until after working in excess of one hundred sixty (160) hours in an out-of-class temporary appointment to a higher classification, the employee will be paid the minimum rate of the higher classification or at a rate five percent (5%) higher than their current rate, whichever is higher. In no case will employees be paid a rate in excess of the top step of the salary range for the position which they are temporarily assigned.

**Shift Differential**

Employees who are assigned on a regular basis to shift work will be compensated an additional five percent (5%) above their normal salary for scheduled hours between the hours of 6:00 p.m. and 5:00 a.m.

**Uniform Allowance (APPLIES TO CLASSIC MEMBERS ONLY)**

The District provides uniforms for certain classifications of employees. The monetary value of the rental and maintenance of the required uniforms shall be reported to CalPERS as Special Compensation. The District reports to CalPERS the uniform rental and maintenance costs (currently $405.60 for field representatives and $462.80 for supervisors) paid annually for those employees who are required to wear a uniform.
RECOMMENDATION

Recommend the Board of Directors approve a Resolution to adopt the restated plan document to ensure plan is updated in accordance with current IRS regulations.

STRATEGIC PLAN

Goal #5: Attract and retain skilled employees.

PRIOR BOARD ACTION/DISCUSSION

The Board of Directors previously adopted Resolution No. 1346, which established a money purchase retirement plan effective June 12, 2007.

DISCUSSION

On June 12, 2007 the Board of Directors approved a money purchase retirement plan in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan & Trust (401).

The IRS has a six-year review schedule for 401 plan documents. The documents incorporate amendments for legislative and regulatory changes enacted since its last review. Adopting the restated plan documents will ensure the plan is updated in accordance with current IRS regulations.

The updated resolution was modeled after ICMA’s sample.

FINANCIAL IMPACT

None.

ATTACHMENTS

Attachment A: Draft Resolution
Attachment B: Redline of Resolution No. 1346
RESOLUTION NO. XXXX

RESOLUTION OF THE
MESA WATER DISTRICT BOARD OF DIRECTORS
AMENDING AND RESTATING THE MONEY PURCHASE
RETIREMENT AND DEATH BENEFIT PLAN
SUPERSEDED RESOLUTION NO. 1346

WHEREAS, the Mesa Water District (Mesa Water®) is a County Water District organized and operating according to California law; and

WHEREAS, Mesa Water® has employees rendering valuable services; and

WHEREAS, Mesa Water® has established a qualified retirement plan for such employees that serves the interest of Mesa Water® by enabling it to provide reasonable retirement security for its employees, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, Mesa Water® has determined that the continuance of the qualified retirement plan will serve these objectives.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE MESA WATER DISTRICT DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. That the Board of Directors of Mesa Water® hereby amends and restates the qualified retirement plan (the Plan) in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan & Trust Agreement (executed copy attached hereto) Attachment A.

Section 2. That the assets of the Plan shall be held in trust, with Mesa Water® serving as trustee (Trustee), for the exclusive benefit of Plan participants and their beneficiaries, and the assets shall not be diverted to any other purpose. The Trustee’s beneficial ownership of Plan assets held in VantageTrust shall be held for further exclusive benefit of the Plan participants and their beneficiaries.

Section 3. That the Board of Directors of Mesa Water® hereby agrees to serve as trustee under the Plan.

Section 4. That the Chief Financial Officer shall be the coordinator for the Plan; shall receive reports, notices, etc., from the ICMA Retirement Corporation or the Vantage Trust; shall cast, on behalf of Mesa Water®, any required votes under the Vantage Trust; may delegate any administrative duties relating to the Plan to appropriate departments.
Section 5. That the Board of Directors of Mesa Water® hereby authorizes the Chief Financial Officer to execute all necessary agreements with the ICMA Retirement Corporation incidental to the administration of the Plan.

ADOPTED, SIGNED, and APPROVED this 14th day of January, 2016 by a roll call vote.

AYES: DIRECTORS:
NOES: DIRECTORS:
ABSENT: DIRECTORS:
ABSTAIN: DIRECTORS:

________________________________
Shawn Dewane
President, Board of Directors

_______________________________
Coleen L. Monteleone
District Secretary
RESOLUTION NO. XXXX

ATTACHMENT A

RESOLUTION OF THE
MESA WATER DISTRICT BOARD OF DIRECTORS
AMENDING AND RESTATING THE MONEY PURCHASE
RETIREMENT AND DEATH BENEFIT PLAN
SUPERSEDING RESOLUTION NO. 1346

ICMA Retirement Corporation Governmental Money Purchase Plan & Trust Agreement

Dated: January 14, 2016
ICMA RETIREMENT CORPORATION

GOVERNMENTAL MONEY PURCHASE PLAN & TRUST ADOPTION AGREEMENT

ICMA RC
BUILDING PUBLIC SECTOR RETIREMENT SECURITY
ICMA RETIREMENT CORPORATION
GOVERNMENTAL MONEY PURCHASE PLAN & TRUST
ADOPTION AGREEMENT

Plan Number 10- 6423 __ __

The Employer hereby establishes a Money Purchase Plan and Trust to be known as MCWD Executive Management Money Purchase Plan (the "Plan") in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust.

This Plan is an amendment and restatement of an existing defined contribution money purchase plan.

☐ Yes  ☐ No

If yes, please specify the name of the defined contribution money purchase plan which this Plan hereby amends and restates:

____________________________________________________

I. Employer: Mesa Water District

II. Effective Dates

☐ 1. Effective Date of Restatement. If this document is a restatement of an existing plan, the effective date of the Plan shall be January 1, 2007 unless an alternate effective date is hereby specified: July 1, 2007

(Note: An alternate effective date can be no earlier than January 1, 2007.)

☐ 2. Effective Date of New Plan. If this is a new Plan, the effective date of the Plan shall be the first day of the Plan Year during which the Employer adopts the Plan, unless an alternate Effective Date is hereby specified:

____________________________________________________

3. Special Effective Dates. Please note here any elections in the Adoption Agreement with an effective date that is different from that noted in 1. or 2. above.

(Note provision and effective date.)

III. Plan Year will mean:

☐ The twelve (12) consecutive month period which coincides with the limitation year. (See Section 5.03(f) of the Plan.)

☐ The twelve (12) consecutive month period commencing on July 1, 2007 __ __ __ __ __ __ __ __ and each anniversary thereof.

IV. Normal Retirement Age shall be age 55 (not to exceed age 65).

Important Note to Employers: Normal Retirement Age is significant for determining the earliest date at which the Plan may allow for in-service distributions. Normal Retirement Age also defines the latest date at which a Participant must have a fully vested right to his/her Account. There are IRS rules that limit the age that may be specified as the Plan's Normal Retirement Age. The Normal Retirement Age cannot be earlier than what is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed. An age under 55 is presumed not to satisfy this requirement, unless the Commissioner of Internal Revenue determines that the facts and circumstances show otherwise.
Whether an age between 55 and 62 satisfies this requirement depends on the facts and circumstances, but an Employer's good faith, reasonable determination will generally be given deference. A special rule, however, applies in the case of a plan where substantially all of the participants in the plan are qualified public safety employees within the meaning of section 72(t)(10)(B) of the Code, in which case an age of 50 or later is deemed not to be earlier than the earliest age that is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed.

V. ELIGIBILITY REQUIREMENTS

1. The following group or groups of Employees are eligible to participate in the Plan:

- ___ All Employees
- ___ All Full Time Employees
- ___ Salaried Employees
- ___ Non union Employees
- ___ Management Employees
- ___ Public Safety Employees
- ___ General Employees
- ✓ Other Employees (Specify the group(s) of eligible employees below. Do not specify employees by name. Specific positions are acceptable.) **Executive Management**

The group specified must correspond to a group of the same designation that is defined in the statutes, ordinances, rules, regulations, personnel manuals or other material in effect in the state or locality of the Employer. The eligibility requirements cannot be such that an Employee becomes eligible only in the Plan Year in which the Employee terminates employment. **Note:** As stated in Sections 4.07 and 4.08, the Plan may, however, provide that Final Pay Contributions or Accrued Leave Contributions are the only contributions made under the Plan.

2. The Employer hereby waives or reduces the requirement of a twelve (12) month Period of Service for participation. The required Period of Service shall be (write N/A if an Employee is eligible to participate upon employment) **N/A**.

   If this waiver or reduction is elected, it shall apply to all Employees within the Covered Employment Classification.

3. A minimum age requirement is hereby specified for eligibility to participate. The minimum age requirement is **N/A** (not to exceed age 21. Write N/A if no minimum age is declared.)

VI. CONTRIBUTION PROVISIONS

1. The Employer shall contribute as follows: (Choose all that apply, but at least one of Options A or B. If Option A is not selected, Employer must pick up Participant Contributions under Option B.)

   **Fixed Employer Contributions With or Without Mandatory Participant Contributions.** (If Option B is chosen, please complete section C.)

   - ✓ A. Employer Contributions. The Employer shall contribute on behalf of each Participant **0 %** of Earnings or $15,000 for the Plan Year (subject to the limitations of Article V of the Plan).
     Mandatory Participant Contributions
     - ☐ are required  ✓ are not required

     to be eligible for this Employer Contribution.

   - ☑ B. Mandatory Participant Contributions for Plan Participation.

     **Required Mandatory Contributions.** A Participant is required to contribute (subject to the limitations of Article V of the Plan) the specified amounts designated in items (i) through (iii) of the Contribution Schedule below:

     - ☐ Yes  ☐ No
Employee Opt-In Mandatory Contributions. Each Employee eligible to participate in the Plan shall be given the opportunity to irrevocably elect to participate in the Mandatory Participant Contribution portion of the Plan by electing to contribute the specified amounts designated in items (i) through (iii) of the Contribution Schedule below for each Plan Year (subject to the limitations of Article V of the Plan):

☐ Yes  ☐ No

Contribution Schedule.

(i) ______% of Earnings,
(ii) $ ________, or
(iii) a whole percentage of Earnings between the range of ________% (insert range of percentages between 1% and 20% inclusive (e.g., 3%, 6%, or 20%; 5% to 7%)), as designated by the Employee in accordance with guidelines and procedures established by the Employer for the Plan Year as a condition of participation in the Plan. A Participant must pick a single percentage and shall not have the right to discontinue or vary the rate of such contributions after becoming a Plan Participant.

Employer "Pick up". The Employer hereby elects to "pick up" the Mandatory Participant Contributions¹ (pick up is required if Option A is not selected).

☐ Yes  ☐ No ("Yes" is the default provision under the Plan if no selection is made.)

☐ C.  Election Window (Complete if Option B is selected):
Newly eligible Employees shall be provided an election window of _______ days (no more than 60 calendar days) from the date of initial eligibility during which they may make the election to participate in the Mandatory Participant Contribution portion of the Plan. Participation in the Mandatory Participant Contribution portion of the Plan shall begin the first of the month following the end of the election window.

An Employee's election is irrevocable and shall remain in force until the Employee terminates employment or ceases to be eligible to participate in the Plan. In the event of re-employment to an eligible position, the Employee's original election will resume. In no event does the Employee have the option of receiving the pick-up contribution amount directly.

2. The Employer may also elect to contribute as follows:

☐ A.  Fixed Employer Match of Voluntary After-Tax Participant Contributions. The Employer shall contribute on behalf of each Participant ______% of Earnings for the Plan Year (subject to the limitations of Article V of the Plan) for each Plan Year that such Participant has contributed ______% of Earnings or $ ________. Under this option, there is a single, fixed rate of Employer contributions, but a Participant may decline to make the required Participant contributions in any Plan Year, in which case no Employer contribution will be made on the Participant's behalf in that Plan Year.

☐ B.  Variable Employer Match of Voluntary After-Tax Participant Contributions. The Employer shall contribute on behalf of each Participant an amount determined as follows (subject to the limitations of Article V of the Plan):

______% of the Voluntary Participant Contributions made by the Participant for the Plan Year (not including Participant contributions exceeding ______% of Earnings or $ ________);

¹ Neither an IRS advisory letter nor a determination letter issued to an adopting Employer is a ruling by the Internal Revenue Service that Participant contributions that are "picked up" by the Employer are not includable in the Participant's gross income for federal income tax purposes. Pick-up contributions are not mandated to receive private letter rulings; however, if an adopting employer wishes to receive a ruling on pick-up contributions they may request one in accordance with Revenue Procedure 2012-4 (or subsequent guidance).
PLUS _____% of the contributions made by the Participant for the Plan Year in excess of those included in the above paragraph (but not including Voluntary Participant Contributions exceeding in the aggregate _____% of Earnings or $______).

Employer Matching Contributions on behalf of a Participant for a Plan Year shall not exceed $_____ or _____% of Earnings, whichever is ___ more or ___ less.

3. Each Participant may make a voluntary (unmatched), after tax contribution, subject to the limitations of Section 4.05 and Article V of the Plan:

☐ Yes    ☑ No ("No" is the default provision under the Plan if no selection is made.)

4. Employer contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

5. Participant contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

6. In the case of a Participant performing qualified military service (as defined in Code section 414(u)) with respect to the Employer:

A. Plan contributions will be made based on differential wage payments:

☐ Yes    ☐ No ("Yes" is the default provision under the Plan if no selection is made.)

If yes is selected, this is effective beginning January 1, 2009 unless another later effective date is filled in here:

______________________________________________

B. Participants who die or become disabled will receive Plan contributions with respect to such service:

☐ Yes    ☑ No ("No" is the default provision under the Plan if no selection is made.)

If yes is selected, this is effective for participants who died or became disabled while performing qualified military service on or after January 1, 2007, unless another later effective date is filled in here:

______________________________________________

Money Purchase Plan Adoption Agreement 4
VII. EARNINGS

Earnings, as defined under Section 2.09 of the Plan, shall include:

1. Overtime
   ☐ Yes      ☑ No

2. Bonuses
   ☐ Yes      ☑ No

3. Other Pay (specifically describe any other types of pay to be included below)

VIII. ROLLOVER PROVISIONS

1. The Employer will permit rollover contributions in accordance with Section 4.12 of the Plan:

   ☐ Yes      ☑ No ("Yes" is the default provision under the Plan if no selection is made.)

2. Direct rollovers by non-spouse beneficiaries are effective for distributions after 2006 unless the Plan delayed making them available. If the Plan delayed making such rollovers available, check the box below and indicate the later effective date in the space provided.

   ☐ Effective Date is ____________________________.

   (Note: Plans must offer direct rollovers by non-spouse beneficiaries no later than plan years beginning after December 31, 2009.)

IX. LIMITATION ON ALLOCATIONS

If the Employer maintains or ever maintained another qualified plan in which any Participant in this Plan is (or was) a participant or could possibly become a participant, the Employer hereby agrees to limit contributions to all such plans as provided herein, if necessary in order to avoid excess contributions (as described in Section 5.02 of the Plan).

1. If the Participant is covered under another qualified defined contribution plan maintained by the Employer, the provisions of Section 5.02(a) through (c) of the Plan will apply unless another method has been indicated below.

   ☐ Other Method. (Provide the method under which the plans will limit total Annual Additions to the Maximum Permissible Amount, and will properly reduce any excess amounts, in a manner that precludes Employer discretion.)

2. The Limitation Year is the following 12 consecutive month period: July 1 through June 30th

3. Unless the Employer elects a delayed effective date below, Article 5 of the Plan will apply to limitations years beginning on or after July 1, 2007.

   (The effective date listed cannot be later than 90 days after the close of the first regular legislative session of the legislative body with authority to amend the plan that begins on or after July 1, 2007.)
X. VESTING PROVISIONS

The Employer hereby specifies the following vesting schedule, subject to (1) the minimum vesting requirements and (2) the concurrence of the Plan Administrator. (For the blanks below, enter the applicable percent – from 0 to 100 (with no entry after the year in which 100% is entered), in ascending order.)

<table>
<thead>
<tr>
<th>Period of Service Completed</th>
<th>Percent Vested</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zero</td>
<td>100 %</td>
</tr>
<tr>
<td>One</td>
<td>%</td>
</tr>
<tr>
<td>Two</td>
<td>%</td>
</tr>
<tr>
<td>Three</td>
<td>%</td>
</tr>
<tr>
<td>Four</td>
<td>%</td>
</tr>
<tr>
<td>Five</td>
<td>%</td>
</tr>
<tr>
<td>Six</td>
<td>%</td>
</tr>
<tr>
<td>Seven</td>
<td>%</td>
</tr>
<tr>
<td>Eight</td>
<td>%</td>
</tr>
<tr>
<td>Nine</td>
<td>%</td>
</tr>
<tr>
<td>Ten</td>
<td>%</td>
</tr>
</tbody>
</table>

XI. WITHDRAWALS AND LOANS

1. In-service distributions are permitted under the Plan after a participant attains (select one of the below options):
   - Normal Retirement Age
   - Age 70½ ("70½" is the default provision under the Plan if no selection is made.)
   - Alternate age (after Normal Retirement Age): __________________________
   - Not permitted at any age

2. A Participant shall be deemed to have a severance from employment solely for purposes of eligibility to receive distributions from the Plan during any period the individual is performing service in the uniformed services for more than 30 days.
   - Yes
   - No ("Yes" is the default provision under the Plan if no selection is made.)

3. Tax-free distributions of up to $3,000 for the direct payment of qualifying insurance premiums for eligible retired public safety officers are available under the Plan.
   - Yes
   - No ("No" is the default provision under the Plan if no selection is made.)

4. In-service distributions of the Rollover Account are permitted under the Plan, as provided in Section 9.07.
   - Yes
   - No ("No" is the default provision under the Plan if no selection is made.)

5. Loans are permitted under the Plan, as provided in Article XIII of the Plan:
   - Yes
   - No ("No" is the default provision under the Plan if no selection is made.)
XII. SPOUSAL PROTECTION

The Plan will provide the following level of spousal protection (select one):

☐ 1. Participant Directed Election. The normal form of payment of benefits under the Plan is a lump sum. The Participant can name any person(s) as the Beneficiary of the Plan, with no spousal consent required.

☑ 2. Beneficiary Spousal Consent Election (Article XII). The normal form of payment of benefits under the Plan is a lump sum. Upon death, the surviving spouse is the Beneficiary, unless he or she consents to the Participant’s naming another Beneficiary. (“Beneficiary Spousal Consent Election” is the default provision under the Plan if no selection is made.)

☐ 3. QISA Election (Article XVII). The normal form of payment of benefits under the Plan is a 50% qualified joint and survivor annuity with the spouse (or life annuity, if single). In the event of the Participant’s death prior to commencing payments, the spouse will receive an annuity for his or her lifetime. (If C is selected, the spousal consent requirements in Article XII also will apply.)

XIII. FINAL PAY CONTRIBUTIONS

The Plan will provide for Final Pay Contributions if either 1 or 2 below is selected.

The following group of Employees shall be eligible for Final Pay Contributions:

☐ All Eligible Employees
☐ Other: _______________________________________

Final Pay shall be defined as (select one):

☐ A. Accrued unpaid vacation
☐ B. Accrued unpaid sick leave
☐ C. Accrued unpaid vacation and sick leave

☐ D. Other (insert definition of Final Pay – must be leave that Employee would have been able to use if employment had continued and must be bona fide vacation and/or sick leave):

__________________________________________

☐ 1. Employer Final Pay Contribution. The Employer shall contribute on behalf of each Participant _________ % of Final Pay to the Plan (subject to the limitations of Article V of the Plan).

☐ 2. Employee Designated Final Pay Contribution. Each Employee eligible to participate in the Plan shall be given the opportunity at enrollment to irrevocably elect to contribute _____ % (insert fixed percentage of final pay to be contributed) or up to _______ % (insert maximum percentage of final pay to be contributed) of Final Pay to the Plan (subject to the limitations of Article V of the Plan).

Once elected, an Employee’s election shall remain in force and may not be revised or revoked.
XIV. ACCRUED LEAVE CONTRIBUTIONS

The Plan will provide for accrued unpaid leave contributions annually if either 1 or 2 is selected below.

The following group of Employees shall be eligible for Accrued Leave Contributions:

☐ All Eligible Employees
☐ Other: ________________________________

Accrued Leave shall be defined as (select one):

☐ A. Accrued unpaid vacation
☐ B. Accrued unpaid sick leave
☐ C. Accrued unpaid vacation and sick leave
☐ D. Other (insert definition of accrued leave that is bona fide vacation and/or sick leave):

☐ 1. Employer Accrued Leave Contribution. The Employer shall contribute as follows (choose one of the following options):

☐ For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant the unused Accrued Leave in excess of ________________ (insert number of hours/days/weeks (circle one)) to the Plan (subject to the limitations of Article V of the Plan).

☐ For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant ________% of unused Accrued Leave to the Plan (subject to the limitations of Article V of the Plan).

☐ 2. Employee Designated Accrued Leave Contribution.

Each eligible Participant shall be given the opportunity at enrollment to irrevocably elect to contribute ____% (insert fixed percentage of accrued unpaid leave to be contributed) or up to ____% (insert maximum percentage of accrued unpaid leave to be contributed) of Accrued Leave to the Plan (subject to the limitations of Article V of the Plan). Once elected, an Employee’s election shall remain in force and may not be revised or revoked.

XV. The Employer hereby attests that it is a unit of state or local government or an agency or instrumentality of one or more states or local government.

XVI. The Employer understands that this Adoption Agreement is to be used with only the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust. This ICMA Retirement Corporation Governmental Money Purchase Plan and Trust is a restatement of a previous plan, which was submitted to the Internal Revenue Service for approval on April 2, 2012, and received approval on March 31, 2014.

The Plan Administrator hereby agrees to inform the Employer of any amendments to the Plan made pursuant to Section 14.05 of the Plan or of the discontinuance or abandonment of the Plan. The Employer understands that an amendment(s) made pursuant to Section 14.05 of the Plan will become effective within 30 days of notice of the amendment(s) unless the Employer notifies the Plan Administrator, in writing, that it disapproves the amendment(s). If the Employer so disapproves, the Plan Administrator will be under no obligation to act as Administrator under the Plan.

XVII. The Employer hereby appoints the ICMA Retirement Corporation as the Plan Administrator pursuant to the terms and conditions of the ICMA RETIREMENT CORPORATION GOVERNMENTAL MONEY PURCHASE PLAN & TRUST.

The Employer hereby agrees to the provisions of the Plan and Trust.

Money Purchase Plan Adoption Agreement
XVIII. The Employer hereby acknowledges it understands that failure to properly fill out this Adoption Agreement may result in disqualification of the Plan.

XIX. An adopting Employer may rely on an advisory letter issued by the Internal Revenue Service as evidence that the Plan is qualified under section 401 of the Internal Revenue Code to the extent provided in applicable IRS revenue procedures and other official guidance.

In Witness Whereof, the Employer hereby causes this Agreement to be executed on this _______ day of ___________, 20___.

EMPLOYER

By: ________________________________

Print Name: _________________________

Title: ______________________________

Attest: _____________________________

ICMA RETIREMENT CORPORATION
777 North Capitol St., NE Suite 600
Washington, DC 20002
800-326-7272

By: ________________________________

Print Name: _________________________

Title: ______________________________

Attest: _____________________________
RESOLUTION NO. 1346XXXX

RESOLUTION OF THE
MESA CONSOLIDATED WATER DISTRICT BOARD OF DIRECTORS
ESTABLISHING AMENDING AND RESTATING ATHE MONEY
PURCHASE
RETIREMENT AND DEATH BENEFIT PLAN
SUPERSEDING RESOLUTION NO. 1346

WHEREAS, the Mesa Consolidated Water District (Mesa Water®) is a County Water District organized and operating according to California law pursuant to Water Code Section 33200 and following, and operating pursuant to Water Code Section 30000 and following; and

WHEREAS, Mesa Water® has employees rendering valuable services; and

WHEREAS, Mesa Water® has established a qualified retirement plan for such employees that serves the interest of Mesa Water® by enabling it to provide reasonable retirement security for its employees, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; the establishment of a money purchase retirement plan benefits employees by providing funds for retirement and funds for their beneficiaries in the event of death; and

WHEREAS, Mesa Water® has determined that the continuance of the qualified retirement plan will serve these objectives; desires that its money purchase retirement plan be administered by the ICMA Retirement Corporation and that the funds held such plan be invested in the Vantage Trust, a trust established by public employers for the collective investment of funds held under their retirement and deferred compensation plans;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE MESA CONSOLIDATED WATER DISTRICT DOES HEREBY RESOLVES, DETERMINES, AND ORDERS AS FOLLOWS:

Section 1. That the Board of Directors of Mesa Water® hereby establishes, amends and restates the money purchase qualified retirement plan (the Plan) in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan & Trust pursuant to the specific provisions of the Adoption Agreement (executed copy attached hereto) Appendix Attachment A.

Section 2. The Plan shall be maintained for the exclusive benefit of eligible employees and their beneficiaries; and

Section 3. That the Board of Directors of Mesa hereby executes the Declaration of Trust of the Vantage Trust, and attached hereto as Appendix B, intending
this execution to be operative with respect to any retirement or deferred compensation plan subsequently established by Mesa, if the assets of the plan are to be invested in the Vantage Trust shall be held in trust, with Mesa Water® serving as trustee (Trustee), for the exclusive benefit of Plan participants and their beneficiaries, and the assets shall not be diverted to any other purpose. The Trustee's beneficial ownership of Plan assets held in Vantage Trust shall be held for further exclusive benefit of the Plan participants and their beneficiaries.

Section 43. That the Board of Directors of Mesa Water® hereby agrees to serve as trustee under the Plan and to invest funds held under the Plan in the Vantage Trust; and.

Section 54. That the Financial Services Manager Chief Financial Officer shall be the coordinator for the Plan; shall receive reports, notices, etc., from the ICMA Retirement Corporation or the Vantage Trust; shall cast, on behalf of Mesa Water® , any required votes under the Vantage Trust; may delegate any administrative duties relating to the Plan to appropriate departments; and.

Section 65. That the Board of Directors of Mesa Water® hereby authorizes the Financial Services Manager Chief Financial Officer to execute all necessary agreements with the ICMA Retirement Corporation incidental to the administration of the Plan.

ADOPTED, SIGNED, and APPROVED this 14th/22nd day of January, 2016/2008 by a roll call vote.

AYES: DIRECTORS: Ohlig-Hall, Bockmiller, Dewane, Atkinson, Shoenberger
NOES: DIRECTORS:
ABSENT: DIRECTORS:
ABSTAIN: DIRECTORS:

____________________________________________
James A. Atkinson
President, Board of Directors

Coleen L. Monteleone
District Secretary
RESOLUTION NO. XXXX
ATTACHMENT A

RESOLUTION OF THE
MESA WATER DISTRICT BOARD OF DIRECTORS
AMENDING AND RESTATING THE MONEY PURCHASE
RETIREMENT AND DEATH BENEFIT PLAN
SUPERSEDING RESOLUTION NO. 1346

ICMA Retirement Corporation Governmental Money Purchase Plan & Trust Agreement
Dated: January 14, 2016
ICMA RETIREMENT CORPORATION
GOVERNMENTAL MONEY PURCHASE PLAN & TRUST
ADOPTION AGREEMENT

Plan Number 10- 6423

The Employer hereby establishes a Money Purchase Plan and Trust to be known as MCWD Executive Management Money Purchase Plan (the “Plan”) in the form of the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust.

This Plan is an amendment and restatement of an existing defined contribution money purchase plan.

☐ Yes  ☐ No

If yes, please specify the name of the defined contribution money purchase plan which this Plan hereby amends and restates:

☐ MCWD Executive Management Money Purchase Plan

I. Employer: Mesa Water District

II. Effective Dates

☐ 1. Effective Date of Restatement. If this document is a restatement of an existing plan, the effective date of the Plan shall be January 1, 2007 unless an alternate effective date is hereby specified: July 1, 2007

(Note: An alternate effective date can be no earlier than January 1, 2007.)

☐ 2. Effective Date of New Plan. If this is a new Plan, the effective date of the Plan shall be the first day of the Plan Year during which the Employer adopts the Plan, unless an alternate Effective Date is hereby specified:

☐ 3. Special Effective Dates. Please note here any elections in the Adoption Agreement with an effective date that is different from that noted in 1. or 2. above.

(Note provision and effective date.)

III. Plan Year will mean:

☐ The twelve (12) consecutive month period which coincides with the limitation year. (See Section 5.03(f) of the Plan.)

☑ The twelve (12) consecutive month period commencing on July 1, 2007 and each anniversary thereof.

IV. Normal Retirement Age shall be age 55 (not to exceed age 65).

Important Note to Employers: Normal Retirement Age is significant for determining the earliest date at which the Plan may allow for in-service distributions. Normal Retirement Age also defines the latest date at which a Participant must have a fully vested right to his/her Account. There are IRS rules that limit the age that may be specified as the Plan's Normal Retirement Age. The Normal Retirement Age cannot be earlier than what is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed. An age under 55 is presumed not to satisfy this requirement, unless the Commissioner of Internal Revenue determines that the facts and circumstances show otherwise.

Money Purchase Plan Adoption Agreement
Whether an age between 55 and 62 satisfies this requirement depends on the facts and circumstances, but an Employer's good faith, reasonable determination will generally be given deference. A special rule, however, applies in the case of a plan where substantially all of the participants in the plan are qualified public safety employees within the meaning of section 72(t)(10)(B) of the Code, in which case an age of 50 or later is deemed not to be earlier than the earliest age that is reasonably representative of the typical retirement age for the industry in which the covered workforce is employed.

V. ELIGIBILITY REQUIREMENTS

1. The following group or groups of Employees are eligible to participate in the Plan:

- All Employees
- All Full Time Employees
- Salaried Employees
- Non union Employees
- Management Employees
- Public Safety Employees
- General Employees
- Other Employees (Specify the group(s) of eligible employees below. Do not specify employees by name. Specific positions are acceptable.) Executive Management

The group specified must correspond to a group of the same designation that is defined in the statutes, ordinances, rules, regulations, personnel manuals or other material in effect in the state or locality of the Employer. The eligibility requirements cannot be such that an Employee becomes eligible only in the Plan Year in which the Employee terminates employment. Note: As stated in Sections 4.07 and 4.08, the Plan may, however, provide that Final Pay Contributions or Accrued Leave Contributions are the only contributions made under the Plan.

2. The Employer hereby waives or reduces the requirement of a twelve (12) month Period of Service for participation. The required Period of Service shall be (write N/A if an Employee is eligible to participate upon employment) N/A

If this waiver or reduction is elected, it shall apply to all Employees within the Covered Employment Classification.

3. A minimum age requirement is hereby specified for eligibility to participate. The minimum age requirement is N/A (not to exceed age 21. Write N/A if no minimum age is declared.)

VI. CONTRIBUTION PROVISIONS

1. The Employer shall contribute as follows: (Choose all that apply, but at least one of Options A or B. If Option A is not selected, Employer must pick up Participant Contributions under Option B.)

Fixed Employer Contributions With or Without Mandatory Participant Contributions. (If Option B is chosen, please complete section C.)

☐ A. Employer Contributions. The Employer shall contribute on behalf of each Participant 0% of Earnings or $15,000 for the Plan Year (subject to the limitations of Article V of the Plan).

Mandatory Participant Contributions
☐ are required ☐ are not required

to be eligible for this Employer Contribution.

☐ B. Mandatory Participant Contributions for Plan Participation.

Required Mandatory Contributions. A Participant is required to contribute (subject to the limitations of Article V of the Plan) the specified amounts designated in items (i) through (iii) of the Contribution Schedule below:

☐ Yes ☐ No
Employee Opt-In Mandatory Contributions. Each Employee eligible to participate in the Plan shall be given the opportunity to irrevocably elect to participate in the Mandatory Participant Contribution portion of the Plan by electing to contribute the specified amounts designated in items (i) through (iii) of the Contribution Schedule below for each Plan Year (subject to the limitations of Article V of the Plan):

☐ Yes  ☐ No

Contribution Schedule:

(i) ______% of Earnings,
(ii) $ ________, or
(iii) a whole percentage of Earnings between the range of _________ to _________ (insert range of percentages between 1% and 20% inclusive (e.g., 3%, 6%, or 20%; 5% to 7%)), as designated by the Employee in accordance with guidelines and procedures established by the Employer for the Plan Year as a condition of participation in the Plan. A Participant must pick a single percentage and shall not have the right to discontinue or vary the rate of such contributions after becoming a Plan Participant.

Employer “Pick up”. The Employer hereby elects to “pick up” the Mandatory Participant Contributions¹ (pick up is required if Option A is not selected).

☐ Yes  ☐ No ("Yes" is the default provision under the Plan if no selection is made.)

☐ C. Election Window (Complete if Option B is selected):
Newly eligible Employees shall be provided an election window of _____ days (no more than 60 calendar days) from the date of initial eligibility during which they may make the election to participate in the Mandatory Participant Contribution portion of the Plan. Participation in the Mandatory Participant Contribution portion of the Plan shall begin the first of the month following the end of the election window.

An Employee's election is irrevocable and shall remain in force until the Employee terminates employment or ceases to be eligible to participate in the Plan. In the event of re-employment to an eligible position, the Employee's original election will resume. In no event does the Employee have the option of receiving the pick-up contribution amount directly.

2. The Employer may also elect to contribute as follows:

☐ A. Fixed Employer Match of Voluntary After-Tax Participant Contributions. The Employer shall contribute on behalf of each Participant ______% of Earnings for the Plan Year (subject to the limitations of Article V of the Plan) for each Plan Year that such Participant has contributed ______% of Earnings or $ ________. Under this option, there is a single, fixed rate of Employer contributions, but a Participant may decline to make the required Participant contributions in any Plan Year, in which case no Employer contribution will be made on the Participant’s behalf in that Plan Year.

☐ B. Variable Employer Match of Voluntary After-Tax Participant Contributions. The Employer shall contribute on behalf of each Participant an amount determined as follows (subject to the limitations of Article V of the Plan):

____% of the Voluntary Participant Contributions made by the Participant for the Plan Year (not including Participant contributions exceeding ____% of Earnings or $ ________);

¹ Neither an IRS advisory letter nor a determination letter issued to an adopting Employer is a ruling by the Internal Revenue Service that Participant contributions that are "picked up" by the Employer are not includable in the Participant's gross income for federal income tax purposes. Pick-up contributions are not mandated to receive private letter rulings; however, if an adopting employer wishes to receive a ruling on pick-up contributions they may request one in accordance with Revenue Procedure 2012-4 (or subsequent guidance).
PLUS _____% of the contributions made by the Participant for the Plan Year in excess of those included in the above paragraph (but not including Voluntary Participant Contributions exceeding in the aggregate ____% of Earnings or $______).

Employer Matching Contributions on behalf of a Participant for a Plan Year shall not exceed $______ or ____% of Earnings, whichever is ____ more or ____ less.

3. Each Participant may make a voluntary (unmatched), after tax contribution, subject to the limitations of Section 4.05 and Article V of the Plan:

☐ Yes
☑ No ("No" is the default provision under the Plan if no selection is made.)

4. Employer contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

5. Participant contributions for a Plan Year shall be contributed to the Trust in accordance with the following payment schedule (no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable depending on the basis on which the Employer keeps its books) with or within which the particular Limitation year ends, or in accordance with applicable law):

6. In the case of a Participant performing qualified military service (as defined in Code section 414(u)) with respect to the Employer:

A. Plan contributions will be made based on differential wage payments:

☐ Yes
☑ No ("Yes" is the default provision under the Plan if no selection is made.)

If yes is selected, this is effective beginning January 1, 2009 unless another later effective date is filled in here:

B. Participants who die or become disabled will receive Plan contributions with respect to such service:

☐ Yes
☑ No ("No" is the default provision under the Plan if no selection is made.)

If yes is selected, this is effective for participants who died or became disabled while performing qualified military service on or after January 1, 2007, unless another later effective date is filled in here:
VII. EARNINGS

Earnings, as defined under Section 2.09 of the Plan, shall include:

1. Overtime
   ☐ Yes    ☑ No

2. Bonuses
   ☐ Yes    ☑ No

3. Other Pay (specifically describe any other types of pay to be included below)

VIII. ROLLOVER PROVISIONS

1. The Employer will permit rollover contributions in accordance with Section 4.12 of the Plan:

   ☐ Yes    ☐ No ("Yes" is the default provision under the Plan if no selection is made.)

2. Direct rollovers by non-spouse beneficiaries are effective for distributions after 2006 unless the Plan delayed making them available. If the Plan delayed making such rollovers available, check the box below and indicate the later effective date in the space provided.

   ☐ Effective Date is ____________________________.

   (Note: Plans must offer direct rollovers by non-spouse beneficiaries no later than plan years beginning after December 31, 2009.)

IX. LIMITATION ON ALLOCATIONS

If the Employer maintains or ever maintained another qualified plan in which any Participant in this Plan is (or was) a participant or could possibly become a participant, the Employer hereby agrees to limit contributions to all such plans as provided herein, if necessary in order to avoid excess contributions (as described in Section 5.02 of the Plan).

1. If the Participant is covered under another qualified defined contribution plan maintained by the Employer, the provisions of Section 5.02(a) through (e) of the Plan will apply unless another method has been indicated below.

   ☐ Other Method. (Provide the method under which the plans will limit total Annual Additions to the Maximum Permissible Amount, and will properly reduce any excess amounts, in a manner that precludes Employer discretion.)

2. The Limitation Year is the following 12 consecutive month period: July 1 through June 30th

3. Unless the Employer elects a delayed effective date below, Article 5 of the Plan will apply to limitations years beginning on or after July 1, 2007.

   (The effective date listed cannot be later than 90 days after the close of the first regular legislative session of the legislative body with authority to amend the plan that begins on or after July 1, 2007.)
X. VESTING PROVISIONS

The Employer hereby specifies the following vesting schedule, subject to (1) the minimum vesting requirements and (2) the concurrence of the Plan Administrator. (For the blanks below, enter the applicable percent – from 0 to 100 (with no entry after the year in which 100% is entered), in ascending order.)

<table>
<thead>
<tr>
<th>Period of Service Completed</th>
<th>Percent Vested</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zero</td>
<td>100 %</td>
</tr>
<tr>
<td>One</td>
<td></td>
</tr>
<tr>
<td>Two</td>
<td></td>
</tr>
<tr>
<td>Three</td>
<td></td>
</tr>
<tr>
<td>Four</td>
<td></td>
</tr>
<tr>
<td>Five</td>
<td></td>
</tr>
<tr>
<td>Six</td>
<td></td>
</tr>
<tr>
<td>Seven</td>
<td></td>
</tr>
<tr>
<td>Eight</td>
<td></td>
</tr>
<tr>
<td>Nine</td>
<td></td>
</tr>
<tr>
<td>Ten</td>
<td></td>
</tr>
</tbody>
</table>

XI. WITHDRAWALS AND LOANS

1. In-service distributions are permitted under the Plan after a participant attains (select one of the below options):
   - [✓] Normal Retirement Age
   - [☐] Age 70½ (“70½ is the default provision under the Plan if no selection is made.”)
   - [☐] Alternate age (after Normal Retirement Age): __________________________
   - [☐] Not permitted at any age

2. A Participant shall be deemed to have a severance from employment solely for purposes of eligibility to receive distributions from the Plan during any period the individual is performing service in the uniformed services for more than 30 days.
   - [☐] Yes       [☐] No (“Yes” is the default provision under the plan if no selection is made.)

3. Tax-free distributions of up to $3,000 for the direct payment of qualifying insurance premiums for eligible retired public safety officers are available under the Plan.
   - [☐] Yes       [☐] No (“No” is the default provision under the Plan if no selection is made.)

4. In-service distributions of the Rollover Account are permitted under the Plan, as provided in Section 9.07.
   - [☐] Yes       [☐] No (“No” is the default provision under the Plan if no selection is made.)

5. Loans are permitted under the Plan, as provided in Article XIII of the Plan:
   - [☐] Yes       [☐] No (“No” is the default provision under the Plan if no selection is made.)
XII. SPOUSAL PROTECTION

The Plan will provide the following level of spousal protection (select one):

☐ 1. Participant Directed Election. The normal form of payment of benefits under the Plan is a lump sum. The Participant can name any person(s) as the Beneficiary of the Plan, with no spousal consent required.

☑ 2. Beneficiary Spousal Consent Election (Article XII). The normal form of payment of benefits under the Plan is a lump sum. Upon death, the surviving spouse is the Beneficiary, unless he or she consents to the Participant's naming another Beneficiary. ("Beneficiary Spousal Consent Election" is the default provision under the Plan if no selection is made.)

☐ 3. QASA Election (Article XVII). The normal form of payment of benefits under the Plan is a 50% qualified joint and survivor annuity with the spouse (or life annuity, if single). In the event of the Participant's death prior to commencing payments, the spouse will receive an annuity for his or her lifetime. (If C is selected, the spousal consent requirements in Article XII also will apply.)

XIII. FINAL PAY CONTRIBUTIONS

The Plan will provide for Final Pay Contributions if either 1 or 2 below is selected.

The following group of Employees shall be eligible for Final Pay Contributions:

☐ All Eligible Employees
☐ Other: ________________________________

Final Pay shall be defined as (select one):

☐ A. Accrued unpaid vacation
☐ B. Accrued unpaid sick leave
☐ C. Accrued unpaid vacation and sick leave
☐ D. Other (insert definition of Final Pay – must be leave that Employee would have been able to use if employment had continued and must be bona fide vacation and/or sick leave):

☐ 1. Employer Final Pay Contribution. The Employer shall contribute on behalf of each Participant ________% of Final Pay to the Plan (subject to the limitations of Article V of the Plan).

☐ 2. Employee Designated Final Pay Contribution. Each Employee eligible to participate in the Plan shall be given the opportunity at enrollment to irrevocably elect to contribute _____% (insert fixed percentage of final pay to be contributed) or up to ______% (insert maximum percentage of final pay to be contributed) of Final Pay to the Plan (subject to the limitations of Article V of the Plan).

Once elected, an Employee's election shall remain in force and may not be revised or revoked.
XIV. **ACCRUED LEAVE CONTRIBUTIONS**

The Plan will provide for accrued unpaid leave contributions annually if either 1 or 2 is selected below.

The following group of Employees shall be eligible for Accrued Leave Contributions:

☐ All Eligible Employees
☐ Other: ____________________________

Accrued Leave shall be defined as (select one):

☐ A. Accrued unpaid vacation
☐ B. Accrued unpaid sick leave
☐ C. Accrued unpaid vacation and sick leave
☐ D. Other (insert definition of accrued leave that is bona fide vacation and/or sick leave):

1. **Employer Accrued Leave Contribution.** The Employer shall contribute as follows (choose one of the following options):

☐ For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant the unused Accrued Leave in excess of ____________ (insert number of hours/days/weeks (circle one)) to the Plan (subject to the limitations of Article V of the Plan).

☐ For each Plan Year, the Employer shall contribute on behalf of each Eligible Participant ______% of unused Accrued Leave to the Plan (subject to the limitations of Article V of the Plan).

2. **Employee Designated Accrued Leave Contribution.**

Each eligible Participant shall be given the opportunity at enrollment to irrevocably elect to contribute ____% (insert fixed percentage of accrued unpaid leave to be contributed) or up to ____% (insert maximum percentage of accrued unpaid leave to be contributed) of Accrued Leave to the Plan (subject to the limitations of Article V of the Plan). Once elected, an Employee's election shall remain in force and may not be revised or revoked.

XV. The Employer hereby attests that it is a unit of state or local government or an agency or instrumentality of one or more units of state or local government.

XVI. The Employer understands that this Adoption Agreement is to be used with only the ICMA Retirement Corporation Governmental Money Purchase Plan and Trust. This ICMA Retirement Corporation Governmental Money Purchase Plan and Trust is a restatement of a previous plan, which was submitted to the Internal Revenue Service for approval on April 2, 2012, and received approval on March 31, 2014.

The Plan Administrator hereby agrees to inform the Employer of any amendments to the Plan made pursuant to Section 14.05 of the Plan or of the discontinuance or abandonment of the Plan. The Employer understands that an amendment(s) made pursuant to Section 14.05 of the Plan will become effective within 30 days of notice of the amendment(s) unless the Employer notifies the Plan Administrator, in writing, that it disapproves of the amendment(s). If the Employer so disapproves, the Plan Administrator will be under no obligation to act as Administrator under the Plan.

XVII. The Employer hereby appoints the ICMA Retirement Corporation as the Plan Administrator pursuant to the terms and conditions of the ICMA RETIREMENT CORPORATION GOVERNMENTAL MONEY PURCHASE PLAN & TRUST.

The Employer hereby agrees to the provisions of the Plan and Trust.
XVIII. The Employer hereby acknowledges it understands that failure to properly fill out this Adoption Agreement may result in disqualification of the Plan.

XIX. An adopting Employer may rely on an advisory letter issued by the Internal Revenue Service as evidence that the Plan is qualified under section 401 of the Internal Revenue Code to the extent provided in applicable IRS revenue procedures and other official guidance.

In Witness Whereof, the Employer hereby causes this Agreement to be executed on this ______ day of ____________, 20____.

EMPLOYER

By: ___________________________________________

Print Name: ___________________________________

Title: __________________________________________

Attest: _________________________________________

ICMA RETIREMENT CORPORATION
777 North Capitol St., NE Suite 600
Washington, DC 20002
800-326-7272

By: ___________________________________________

Print Name: ___________________________________

Title: __________________________________________

Attest: _________________________________________
MEMORANDUM

TO: Executive Committee
FROM: Paul E. Shoenberger, P.E., General Manager
DATE: January 5, 2016
SUBJECT: Future Agenda Topics and Conference Schedule

RECOMMENDATION

Review future agenda topics and conference schedule.

STRATEGIC PLAN

Goal #1: Provide a safe, abundant, and reliable water supply.
Goal #2: Practice perpetual infrastructure renewal and improvement.
Goal #3: Be financially responsible and transparent.
Goal #4: Increase public awareness about Mesa Water® and about water.
Goal #5: Attract and retain skilled employees.
Goal #6: Provide outstanding customer service.
Goal #7: Actively participate in regional water issues.

PRIOR BOARD ACTION/DISCUSSION

None.

DISCUSSION

Staff will provide an updated future agenda topics and conference schedule at the Executive Committee meeting.

FINANCIAL IMPACT

None.

ATTACHMENTS

None.
<table>
<thead>
<tr>
<th>Topic Description</th>
<th>Board Mtg. Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015 District of Distinction Reaccreditation Recognition</td>
<td>01/14/16</td>
</tr>
<tr>
<td>CalPERS Special Compensation</td>
<td>01/14/16</td>
</tr>
<tr>
<td>Board Committee Liaison Assignments</td>
<td>01/14/16</td>
</tr>
<tr>
<td>Board Workshop Planning</td>
<td>01/14/16</td>
</tr>
<tr>
<td>Money Purchase Plan</td>
<td>01/14/16</td>
</tr>
<tr>
<td>Social Media Project</td>
<td>02/11/16</td>
</tr>
<tr>
<td>Outside Auditors Services RFP</td>
<td>02/11/16</td>
</tr>
<tr>
<td>Well Automation Award</td>
<td>02/11/16</td>
</tr>
<tr>
<td>Pipeline Integrity Testing Program</td>
<td>02/11/16</td>
</tr>
<tr>
<td>MWRF Outreach Center Change Order</td>
<td>02/11/16</td>
</tr>
<tr>
<td>Master Meter Large Developments/Rules &amp; Regulations</td>
<td>02/11/16</td>
</tr>
<tr>
<td>Drought-Reach Campaign Presentation</td>
<td>03/18/16</td>
</tr>
<tr>
<td>MWRF Outreach Center Update</td>
<td>03/18/16</td>
</tr>
<tr>
<td>MWRF Water Usage</td>
<td>03/18/16</td>
</tr>
<tr>
<td>Recycled Water Review</td>
<td>03/18/16</td>
</tr>
<tr>
<td>Strategic Plan Update</td>
<td>03/18/16</td>
</tr>
<tr>
<td>Regional Water Issues</td>
<td>03/18/16</td>
</tr>
<tr>
<td>Classification and Compensation Update</td>
<td>03/18/16</td>
</tr>
</tbody>
</table>
## 2016 CONFERENCES, SEMINARS, AND MEETINGS:

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Location</th>
<th>Speakers</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 22, 2016</td>
<td>MWDOC Water Policy Forum</td>
<td>Costa Mesa, CA</td>
<td>Atkinson, Fisler, Temianka</td>
</tr>
<tr>
<td>February 10-12, 2016</td>
<td>Urban Water Institute Spring Conference</td>
<td>Palm Springs, CA</td>
<td>Atkinson</td>
</tr>
</tbody>
</table>
REPORTS AND INFORMATION ITEMS:

7. REPORT OF THE GENERAL MANAGER:
REPORTS AND INFORMATION ITEMS:

8. DIRECTORS’ REPORTS AND COMMENTS:
There are no support materials for this item.